

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Notice of Market-Dominant
Price Adjustment

Docket No. R2013-1

CHAIRMAN'S INFORMATION REQUEST NO. 2

(Issued October 24, 2012)

To clarify the basis of the Postal Service's estimates in its Notice of Market-Dominant Price Adjustment the Commission requests the Postal Service to provide written responses to the following questions. Answers should be provided to individual questions as soon as they are developed, but no later than October 26, 2012.

Standard Mail

1. Please refer to USPS-LR-R2013-1/2, excel file: CAPCALC-STD-R2013.xls tab: Price Changes Summary.
 - a. Confirm that the ratio of Commercial and Nonprofit Average Revenue Per Piece does not include any of the revenue forgone from the Mail to Mobile Promotions or the Earned Value Reply Mail Promotion. If not confirmed, please explain.
 - b. If part a is confirmed, explain the rationale for excluding these revenue adjustments from the ratio.
 - c. If part a is confirmed, provide an updated ratio of Commercial and Nonprofit Average Revenue Per Piece that includes the revenue forgone from the Mail to Mobile Promotions and the Earned Value Reply Mail Promotion.

2. Please refer to USPS-LR-R2013-1/2, Excel file: CAPCALC-STD-R2013.xls, tabs: LFP Revenue@New Prices and HD-Sat-CR Revenue@New Prices.
 - a. Confirm that percentage change in price by product does not include any of the revenue forgone from the Mail to Mobile Promotions or the Earned Value Reply Mail Promotion. If not confirmed, please explain.
 - b. If part a is confirmed, please recalculate the percentage change in price for each Standard Mail product, taking into account revenue forgone from the Mail to Mobile Promotions and the Earned Value Reply Mail Promotion.
 - c. If part a is confirmed, please confirm that the inclusion of the revenue forgone from the Mail to Mobile Promotions and the Earned Value Reply Mail Promotion results in Standard Mail Flats receiving a below average price increase.

By the Chairman.

Ruth Y. Goldway